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GCL-POLY ENERGY HOLDINGS LIMITED
保利協鑫能源控股有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 3800)

PROFIT WARNING

This announcement is made by GCL-Poly Energy Holdings Limited pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform Shareholders and investors that the Group's results for the financial year ending 31 December 2009 are expected to be adversely affected due to the impairment loss in goodwill arising from the Acquisition notwithstanding the expected satisfactory operating income generated from the Group.

Shareholders of the Company and investors should exercise caution when dealing in the Shares of the Company.

INTRODUCTION

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform Shareholders and investors that the Group's results for the financial year ending 31 December 2009 are expected to be adversely affected due to the impairment loss in goodwill arising from the Acquisition as described below.

IMPAIRMENT LOSS IN GOODWILL ARISING FROM THE ACQUISITION

We refer to the Group's acquisition of the Target Group (announced on 22 June 2009), which consists of Jiangsu Zhongneng, one of the leading PRC suppliers of polysilicon and wafers to companies operating in the solar industry, for a consideration amount of approximately HK\$26.35 billion (the "Acquisition") which was completed on 31 July 2009. The consideration for the Acquisition was satisfied by the issue of 10,039,772,727 new Shares which represented 90.75% of the then enlarged share capital of the Group (the "Consideration Shares"), the issue of US\$350 million

secured notes and US\$200 million in cash.

In accordance with the rules of the International Financial Reporting Standard (“IFRS”), the cost of acquisition of assets shall be measured at fair value assets given at the date of acquisition. As the closing price of the Shares of the Company on 31 July 2009 (i.e. the date of completion of the Acquisition) was HK\$3.46 and the contract price per Consideration Share was HK\$2.20, a significant amount of goodwill (debit) and a similar amount of share premium (credit) were thus recorded in the Consolidated Statement of Financial Position at the date of the Acquisition. Based on the preliminary valuation report on the business of the Target Group as at 31 July 2009 prepared by an independent valuer and made available to senior management of the Company on 13 November 2009, the Board estimated that a non-cash impairment loss for an amount of approximately HK\$9 billion is likely to be charged to the Consolidated Statement of Comprehensive Income, which will adversely affect the Group’s results for the year ending 31 December 2009. The estimated impairment loss is subject to a number of factors that may affect the Company's results of operations, including but not limited to changes in polysilicon prices, our ability to achieve cost reductions, changes in government subsidies and economic incentives for on-grid solar energy applications, changes in the supply dynamics in the industry and competition from both renewable and conventional energy sources and product. The exact amount of the impairment loss for the year ending 31 December 2009 may differ from the estimated impairment loss stated above. The exact amount of impairment loss shall be determined with reference to the value of the business of the Group as at 31 December 2009 to be appraised by an independent valuer and will be subject to the factors described above.

The Directors would like to draw the Shareholders’ attention that they are confident that the operating income derived from both the energy and solar sectors of the Company for the second half of 2009 are expected to be satisfactory.

GENERAL

The Board would like to emphasise that the impairment loss (i) is a non-cash accounting treatment arising out of the provisions of the IFRS; (ii) has no relation to the performance of the Group for the year ending 31 December 2009; and (iii) has no effect on the cash flow for the Group’s operations. The principal business activities of the Group will not be affected and the Board believes that the financial position of the Group remains sound.

Shareholders of the Company and investors should exercise caution when dealing in the Shares of the Company.

The Company has requested the continued suspension of Shares tomorrow pending the announcement of a subscription of new Shares in the Company and related arrangements with the new investor.

DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

“Board”	the board of Directors
“Company”	GCL-Poly Energy Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Jiangsu Zhongneng”	江蘇中能硅業科技發展有限公司(Jiangsu Zhongneng Polysilicon Technology Development Co., Ltd.)*, a limited company established in the PRC
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holders of ordinary shares in the share capital of the Company with nominal value of HK\$0.10 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Group”	GCL Solar Energy Technology Holdings Inc. and its subsidiaries, Greatest Joy International Limited and its subsidiaries and Sun Wave Group Limited and its subsidiaries

By order of the Board
GCL-Poly Energy Holdings Limited
Zhu Gong Shan
Chairman

Hong Kong, 16 November 2009

As at the date of this announcement, the Board comprises Mr. Zhu Gong Shan (Chairman), Mr. Sha Hong Qiu, Mr. Ji Jun, Mr. Shu Hua, Mr. Yu Bao Dong, Ms. Sun Wei, Mr. Tong Yee Ming and Mr. Zhu Yu Feng as executive directors; Mr. Qian Zhi Xin, Ir. Dr. Raymond Ho Chung Tai, Mr. Xue Zhong Su and Mr. Yip Tai Him as independent non-executive directors.

** For identification purpose only*